GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Budget 2017-18-Budget Administration and guidelines for issue of Comprehensive Budget Release Order (CBRO) and Budget Distribution Instructions on Externally Aided Projects –Issued

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FINANCE (BUDGET.I) DEPARTMENT

G.O. Ms.No. 62 Date: 20.04.2017

G.O. Ms.No.57, Finance (Budget.I) Department, dt.07-04-2017

Order :

Government has issued guidelines in the reference first read above for distribution of Budget allocations for the year 2017-18.In para 6(f) of the said G.O., it was mentioned that separate guidelines will be issued for Externally Aided Projects(EAPs).

2. Consequent on enhanced financial support from the external agencies as proposed by the GOI and in view of taking up of major developmental and infrastructure activities in the State in the financial year 2017-18, it has been decided to reduce the procedural delay in budget release procedure. At the same time, prompt implementation of the projects and reimbursements of claims by the external agencies, through GOI would be closely monitored, as delay in reimbursement would adversely affect the ways and means position of the state.

3. The following guidelines are issued keeping in view of theanticipated higher expenditure and consequent larger volume ofreimbursement claims under externally aided projects during the currentfinancial year 2017-18. The Externally Aided Projects (EAPs) are broadlycategorized into three categories based on the funds flow from theconsolidated fund of the State as mentioned below:

a) **Project s for which expenditure is met from the consolidated fund of the State:** Expenditure in respect of theseprojects are booked under the respective capital heads of accounts,subject to reimbursement of the amount by the respective externalagencies, through the Government of India.

b) **Projects, for which expenditure is initially incurred by the Project Implementing Authority (PIA)**: Expenditure on theseprojects are released to the PIA by the State government, on receipt ofreimbursement from the lending agency, through the Government ofIndia.

c) **Projects for which budgetary allocations are released to the PD Account s of the Project Implementing Agencies**: Inrespect of these Projects amounts are transferred from ConsolidatedFund to Public account by debiting the respective revenue and/orcapital heads of accounts with a credit to the respective Deposit headof account. Expenditure on the project is met from the PD accountbalance.

4. The procedure for expenditure under Externally Aided Projectsshall be hitherto as follows:

For the project s under Category "a"

i) All the expenditure Bills under capital heads of accounts shallcontinue to be processed through the BMS (Bill monitoring Software)Software of Director Works Accounts and the entire Budget Provisions of2017-18 will be released in the first quarter itself to reduce theprocedural delay in budget releases.

ii. The PAO (Works), immediately after passing the Bill, will furnishvoucher details (Voucher Number, date and amount) to the respectiveProject Implementing Agencies, so that they can submit reimbursementclaims without any delay every month.

iii. The PIA in turn shall prepare the reimbursement claims in theprescribed format based on the data collected from the PAO and shallsubmit online to GOI for scrutiny and forwarding the same to thelending agency.

iv. No delay in submission of reimbursement claims would bepermissible. The PAO(Works) shall not pay the next bills unless the PIAhas submitted the reimbursement claims of previous month to GOI.

v. The Administrative Secretariat Department shall periodicallyreview the status of reimbursement claims of the Project ImplementingAgencies under their control.

For the project s under Category "b" :

i. The PIAs of power projects (HVDS, 24X7 & Green EnergyCorridor) shall continue to submit the claims to Finance department forrelease of the amount which has already been spent by them.

ii. PIAs of these projects are to submit the reimbursement claimsdirectly to GOI, online, for scrutiny and forwarding the same to theexternal agency.

iii. Finance Department (CM) shall monitor the receipt of money fromthe External Agency, through GOI, and issue BRO so that the DDO ofFinance Department can draw & disburse the amount to the respectivePIAs.

For the project s under Category "c" :

i. In order to ensure speedy implementation of the EAPs andprompt reimbursements from the External Agencies, it has been decidedto discontinue the existing procedure of transferring the amounts to thePD Accounts of the PIAs.

ii. Project Implementing Agencies of this category of Projectswould from now on submit expenditure Bills to the PAO (Works &Projects), similar to that of Category 'a' above.

iii. Budget for this category projects would also be released at thebeginning of the first quarter.

iv. The Project Implementing Agencies will submit the contingentexpenditure bills in the prescribed bill forms & the work bills through m-bookrecording to the PAO (Works) for payment.

v. All the procedure outlined for category 'a' (Sl.No ii to iv) would beapplicable for this category also.

5. The Project Implementation Agencies are hereby requested tofurnish the reimbursement claims to the Lending Agencies through theMinistry of Finance, Aid, Accounts and Audit Division in the followingmonth of pre- audit. The subsequent claims should be preferred alongwith a certificate that the reimbursement claims of all the expenditureallowed in pre-audit have been furnished along with a copy of thecovering letter of the reimbursement claims. For example, theimplementing

agencies shall prefer the reimbursement claims in themonth of May, 2017 pertaining to claims allowed in pre-audit in themonth of April. The Audit Officers shall not admit the bills in June, withouta certificate that the reimbursed claims have been furnished to theLending Agencies for all the previous expenditure allowed in pre audit.

6. These instructions should be followed scrupulously without anydeviation.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M. RAVICHANDRA
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To

The Project Directors/Chief Executive Officers of all the Externally AidedProjects
The Directors of Treasuries and Accounts, Ibrahimpatnam Vijayawada
The Director of Works Accounts, Ibrahimpatnam Vijayawada
The Pay and Accounts Officer, Ibrahimpatnam Vijayawada

Copy to :
The Water Resources Department
The Transport Roads and Buildings Department
The PR and RD Department
The Municipal Administration and Urban Development Department
All officers of the Finance Department
The Finance (Budget. I) Department
All the Finance (FMU) Departments

// FORWARDED :: BY ORDER //

SECTION OFFICER